



EQUIPMENT FINANCE

RECORDATION NO 27995 FILED

JUL 02 '09

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SURFACE TRANSPORTATION BOARD



June 30, 2009

Ms. Anne Quinlan
Acting Secretary
Surface Transportation Board
395 E Street, SW
Washington, DC 20024

Dear Ms. Quinlan:

Enclosed are an original and one copy of the document described below, to be recorded pursuant to Section 11301 of Title 49 of the US Code.

This document is a Memorandum of Lease, dated June 25, 2009.

The names and addresses of the parties to the document are as follows:

Lessor: M&I Equipment Finance Company
250 East Wisconsin Avenue
Milwaukee, WI 53202

Lessee: Watco Companies, Inc.
315 W 3rd Street
Pittsburg, KS 66762

A description of the equipment covered by the document is as follows:

Fifteen (15) SW 1500 Locomotives more particularly described on Exhibit A attached hereto.

A fee of \$41.00 is enclosed. Please return the filed original copy of the Memorandum to:

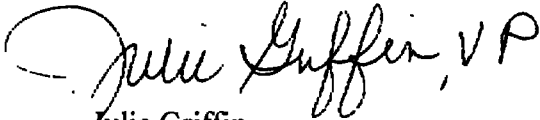
Julie Griffin
M&I Equipment Finance Company
250 East Wisconsin Ave
Milwaukee, WI 53202

A short summary of the document to appear in the index is as follows:

Memorandum of Lease between M&I Equipment Finance Company. as Lessor,
and Watco Companies, Inc., as Lessee, dated June 25, 2009 and covering Fifteen
(15) SW1500 Locomotives.

Sincerely,

M&I Equipment Finance Company


Julie Griffin
Vice President

Enc.

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MEMORANDUM OF LEASE

SURFACE TRANSPORTATION BOARD

This MEMORANDUM OF LEASE, entered into this 25th day of June, 2009, is intended to evidence the Master Lease Schedule dated as of June 25, 2009 (the "Lease") between M&I Equipment Finance Company (the "Lessor") and Watco Companies, Inc., a Kansas corporation (the "Lessee"), for the purpose of satisfying the requirements of recordation with the Surface Transportation Board under Section 49 U.S.C. 11301. Lessor has the right to lease the railcars described in Exhibit A attached hereto (the "Units"). Lessee leased from Lessor all of the Units at the rentals and upon the terms and conditions provided in the Lease.

IN WITNESS WHEREOF, Lessor and Lessee, each pursuant to due corporate authority, has executed this Memorandum of Lease on the date indicated below its signature.

LESSOR:

LESSEE:

M&I EQUIPMENT FINANCE
COMPANY

WATCO COMPANIES, INC.

By: Julie GriffinBy: [Signature]Title: VPTitle: Chief Accounting OfficerDate: 6/30/09Date: 6/29/09

STATE OF WISCONSIN)

COUNTY OF MILWAUKEE)

) ss.

The foregoing instrument was acknowledged before me this 30 day of June, 2009, by Julie Griffin, the Vice President of M&I Equipment Finance Company.

[Signature]
Notary Public, State of WisconsinSTATE OF Kansas)COUNTY OF Crawford)

) ss:

The foregoing instrument was acknowledged before me this 29 day of June, 2009, by Matt McKenzie, the Chief Accounting Officer of Watco Companies, Inc., a Kansas corporation.

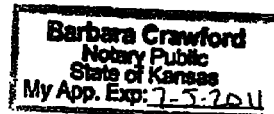
[Signature]
Notary Public, State of Kansas

EXHIBIT A

To the Memorandum of Lease, dated June 25th, 2009 between M&I Equipment Finance Company and Watco Companies, Inc.

DESCRIPTION OF UNITS

(15) SW1500 Locomotives

Previous Mark-Current Mark:

LLPX 154 – WAMX 1517
LLPX 173 – WAMX 1518
LLPX 174 – WAMX 1519
LLPX 178 – WAMX 1520
LLPX 179 – WAMX 1521
LLPX 180 – WAMX 1522
LLPX 181 – WAMX 1523
LLPX 206 – WAMX 1524
LLPX 207 – WAMX 1525
LLPX 208 – WAMX 1526
LLPX 209 – WAMX 1527
LLPX 210 – WAMX 1528
LLPX 212 – WAMX 1529
LLPX 213 – WAMX 1530
LLPX 215 – WAMX 1531